

ACT 127

H. B. NO. 706

A Bill for an Act Relating to Mass Merchandising of Motor Vehicle Insurance.
Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 431-751, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 431-751 Definitions. As used in sections 431-751 to 431-766:

- (1) ‘Employees’ includes compensated officers, managers, employees of a firm, corporation, partnership, sole proprietor, trust, estate, or members of unincorporated association or organization. A mass merchandising agreement may provide that the term ‘employees’ shall include retired employees and the individual proprietor, partners, or trustees, if the employer is an individual proprietor, partnership, trust, or estate.
- (2) ‘Employer’ includes any firm, corporation, partnership, sole proprietor, trust, estate, and unincorporated association or organization; it also includes the State, any county, and any municipal corporation, and any governmental unit, agency, or department thereof.
- (3) ‘Insurer’ means an insurer authorized to transact the business of motor vehicle insurance in the State.
- (4) ‘Mass merchandise’ means to sell and ‘mass merchandising’ means

a sale of insurance wherein (A) the insurance is offered to employees of particular employers or to members of particular established associations or organizations and (B) the employer, association, or organization has agreed to, or otherwise affiliated itself with, the sale of such insurance to its employees or members.

- (5) 'Mass merchandising plan' or 'plan' means a program, design, or scheme of the insurance to be mass merchandised, including terms, coverages, and premiums.
- (6) 'Mass merchandising agreement' means an agreement between an insurer and an employer, association, or organization for the sale of insurance to the employees of the employer or to the members of the association or organization on a mass merchandising basis.
- (7) (A) 'Private passenger motor vehicle' (or motor vehicle) means a motor vehicle of the private passenger, station wagon or jeep type, motorcycle, motorized bicycle, power cycle, motor scooter and any other similar vehicles of the private passenger type including trailers and semitrailers used in connection therewith, owned by an individual or jointly owned by such individual and his or her spouse or relatives who are members of his or her household, but shall not include any of the foregoing which are used as a public or livery conveyance for passengers or rented to others without a driver.
- (B) 'Private passenger motor vehicle' shall also include a motor vehicle with a pick-up or similar body, a delivery sedan or a panel truck which is not customarily used in the occupation, profession or business of the insured other than in the course of driving to and from work if such vehicle shall have a load capacity of 1500 pounds or less.
- (8) 'Private passenger motor vehicle insurance,' 'insurance' or 'motor vehicle insurance' means insurance against loss or expense, or liability for loss or expense resulting from injury to persons or loss of or damage to property arising from the ownership, operation, maintenance, or use of a private passenger motor vehicle."

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 3. This Act shall take effect upon its approval.

(Approved May 18, 1973.)

*Edited accordingly.